

Logan County Occupational Tax Director
Sue Carol Marshall
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To Whom It May Concern:

Ordinance # 10-220-01 which imposes an annual occupational tax on any wage, salary, business, trade, occupation or profession in Logan County, Kentucky and requires all businesses and individuals to file an application with the Director was approved and went into effect on October 1, 2003. The amount of the license fee shall be .75 percent (.75%) of the gross salaries, wages, commissions, and other compensations earned in the County and on the net profits of all businesses professions or occupations from activities conducted in the County on and after the 1st day of October, 2003.

Where such salaries, wages, commissions and other compensations or net profits are earned for work done or services performed or rendered both within and without the County, said license fee shall be measured by such part of the salaries, wages and commissions and other services performed or rendered in the County. Such license fee shall be computed by obtaining the percentage that the compensation or net profits for work performed or services rendered within the County bears to the total compensation earned.

PAYMENT OF LICENSE FEES – WITHHOLDING AND RETURNS

Each employer shall deduct the necessary amount of license fees from their employee and make timely payments to the Director. Employers withholding \$100.00 or more per month shall remit these license fees on a monthly basis. These payments are due by the end of the following month. (Example – License fees withheld for the month of October are due by November 30.)

Employers who are not required to remit on a monthly basis must remit quarterly.

- First quarter - January through March – Due Date April 30
- Second quarter – April through June – Due Date July 31
- Third quarter _ July through September – Due Date October 31
- Fourth quarter – October through December – Due Date January 31

*** Be advised that copies of all W2's and 1099's that are issued relating to activity in Logan County must be submitted to our office by February 28th of the following year.**

Each person filing a net profit license fee return shall provide a copy of the appropriate federal tax return forms which indicate profit or loss from a business or profession, Rental income, partnership income, fiduciary/estate-trust income, corporate income and any other forms as determined necessary by the Director with the net profit return filed with the Director. The form(s) to be included with the Net Profits License Fee Return include, but are not limited to, the following federal forms:

1. Schedule C
2. Schedule E
3. Schedule F
4. Form 1041
5. Form 1065
6. Form 1120
7. Form 1120s
8. Form 4835

Persons, associations, corporations or other business entities involved in any business, occupation, trade or profession or other business activity within the County subject to the Net Profit tax shall file a Net Profit License Fee Return and pay 75% of their net profit, gross wages, and gross salaries. All calendar year taxpayers must file the return by April 15; Fiscal year taxpayers must file the return within three and one-half months after the close of their year.

PENALTY & INTEREST CHARGES

All license fees imposed by this ordinance which remain unpaid after they become due shall bear interest at the rate of twelve (12%) percent per annum. (1% per month or portion of a month) **Interest begins the very first day you are late. All returns must be post-marked by the due date to avoid late charges.**

Any person who fails to pay such license fee by the due date, except as provided in Section IV (D) of Logan County Ordinance, shall also be charged a penalty of five percent (5%) per month or portion of a month of the unpaid balance, but cannot be less than \$25.00. **Penalties begin the very first day you are late. Even if you are filing a "zero" return it must be post-marked by the due date to avoid the minimum penalty of \$25.00.**

Enclosed is an application for an Occupational License. Please complete the form as soon as possible and return it to Logan County Occupational/Net Profits Tax Administrator, P.O. Box 236, Russellville, KY 42276. If you are not the individual responsible for completing this form, please forward to the proper person(s). When the completed application has been received, the Director will mail you the appropriate form(s) for your situation.

The complete Ordinance may be seen at the Logan County Court house or you may go to www.logancounty.ky.gov and find it on our website. If we can answer questions or be of help in any way, please contact the Director at 270-726-4667.

*** Failure to respond/register with the County Occupational Tax Office will result in your business/activity being turned over to the County Attorney's Office.**